

Those \$100,000 Dodd Dinners: Sen. Williams Asks Wide Probe

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WASHINGTON.

Sen. John J. Williams, R., Del., yesterday called for a complete investigation of claims by Sen. Thomas J. Dodd, D., Conn., that an estimated \$100,000 he received from two dinners were tax-free gifts.

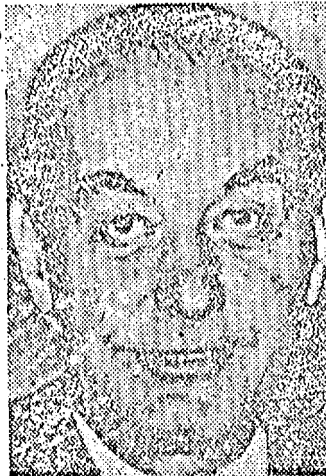
"The only way to get to the bottom of this, in all fairness to the man involved, is to have a thorough investigation," Sen. Williams said. "If there is anything here, it should be laid out before the Senate and the country."

His remarks were considered a Senatorial rarity since under an unwritten code a member does not comment publicly on charges involving another member.

This apparent crack in tradition may, however, become wider. It was learned that Sen. Clifford Case, R., will speak early next week on the Senate floor on the Dodd disclosures. He will stress the need for a disclosure law, such as he has introduced, requiring members on Congress to list their sources of income, including gifts valued at \$50 or more.

And, according to members present, many Senators discussing the Dodd case in the Senate cloakroom yesterday favored public hearings to air the charges.

The Senate Ethics Committee, which has been studying the case for more than a month, is reliably reported



Sen. John J. Williams

to be ready to hold closed, if not open, hearings.

Sen. Dodd, according to a published report by columnists Drew Pearson and Jack Anderson, used the dinner funds for his own personal use. But spokesmen for Sen. Dodd insist that the proceeds constitute tax-free cash gifts given to help pay off 1958 campaign expenses and to ease the extra financial burden of holding public office.

Sen. Williams contended that money received at the two Dodd events must be taxable as income if not used for campaign purposes.

"It is my understanding," he said, "that if such funds are used for personal expenses they must be treated as income. I don't see how they could be treated otherwise."

The Internal Revenue Service reported that contributions

are not taxable when used for political campaigns, but are taxable when diverted to the personal use of the recipient. The IRS also said a key factor is the intent of the donor—whether he is in a position to expect political favors in exchange for his gift.

The Hartford Courant yesterday reported that its accounts of the two dinners for Sen. Dodd did not show that the money raised was to be given as tax-free gifts to him.

The newspaper's story on the Oct. 26, 1963, dinner said it was given for Sen. Dodd "to help him raise a war chest for his renomination and re-election campaign" in 1964. Lyndon B. Johnson, then Vice-President, was the principal speaker.

A Nov. 20, 1961, dinner was described by the newspaper as a "non-partisan testimonial dinner to Sen. Dodd."

Aids to Sen. Dodd maintain the contributions were tax-free gifts because they were raised at testimonial, not campaign, dinners.

Referring to this view, Mr. Pearson said yesterday: "Under the rules Sen. Dodd set up for taxes and dinners, I think I shall give a dinner

for my fellow columnist Art Buchwald to raise money for his expenses, and then get him to give a dinner so I can pay my bills—all tax free."

Mr. Buchwald chimed in, "I'll accept Mr. Pearson's suggestion if we can get Sen. Dodd to be the guest speaker."